

Legislative Digest

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H.R. 1471, FEMA Disaster Assistance Reform Act of 2015, as amended

FLOOR SITUATION

On Monday, February 29, 2016, the House will consider <u>H.R. 1471</u>, the FEMA Disaster Assistance Reform Act of 2015, as amended, under suspension of the rules. H.R. 1471 was introduced on March 19, 2015, by Rep. Lou Barletta (R-PA) and was referred to the Committee on Transportation and Infrastructure, which ordered the bill reported by voice vote on April 15, 2015.

SUMMARY

H.R. 1471 reauthorizes the Federal Emergency Management Agency (FEMA) for three years, authorizing appropriations totaling \$3.1 billion over the 2016 to 2018 period, to fund federal emergency management programs. In addition, the bill reinstates the 3-year statute of limitations on FEMA's ability to reclaim funds, increases the Public Assistance small projects threshold to \$1 million, and makes other various changes to certain disaster relief programs. The bill also requires FEMA to study trends in disaster losses and issue recommendations aimed at reducing losses and increasing savings.¹

BACKGROUND

The federal government plays a significant role in emergency management, which generally refers to activities associated with avoiding and responding to natural and human-caused hazards. The system of emergency management in the United States is scalable, meaning that local governments request assistance from the state if responding or recovering from the incident is beyond their capacity. In cases when a state is overwhelmed by the incident, the state governor may elect to request assistance from the federal government.²

The Federal Emergency Management Agency (FEMA) coordinates the federal government's role in preparing for, preventing, mitigating the effects of, responding to, and recovering from all domestic disasters, whether natural or man-made, including acts of terror. FEMA was created in 1979 through

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¹ See Transportation and Infrastructure Committee Report, The FEMA Disaster Assistance Reform Act of 2015

² See CRS Report, "Federal Emergency Management: A Brief Introduction," November 30, 2012.

an executive order, which merged many separate federal disaster-related programs into one centralized agency. In March 2003, FEMA joined 22 other federal agencies, programs and offices in becoming the Department of Homeland Security and was given responsibility for helping to ensure that the nation's first responders were trained and equipped to deal with certain terrorist activities. Today, FEMA has approximately 15,000 employees across the country.³

The Robert T. Stafford Emergency Relief and Disaster Assistance Act (Stafford Act) authorizes the President to issue declarations for incidents ranging from destructive, large-scale disasters to more routine, less damaging events. Under the Stafford Act, the costs of response and recovery efforts are usually split between the state and the federal government, provided that the federal share shall be at least 75 percent. The majority of assistance provided under the Stafford Act is paid out of FEMA's Disaster Relief Fund (DRF), which is a no-year account used to fund response activities and pay for ongoing recovery programs.⁴

According to Chairman Bill Shuster (R-PA), "Disaster induced losses, both in terms of human lives and economic costs, have been increasing in recent years. The FEMA Disaster Assistance Reform Act addresses this rise in costs head-on, seeks ways to reduce losses caused by future disasters, and reforms assistance programs to make them work better for victims and impacted communities." 5

COST

The Congressional Budget Office (CBO) <u>estimates</u> enacting H.R. 1471 would authorize appropriations totaling \$3.1 billion for the Federal Emergency Management Agency (FEMA) over the 2016 to 2018 period. Based on historical spending patterns, CBO estimates that implementing the legislation would cost about \$3 billion over the 2016 to 2020 period, assuming appropriation of the necessary amounts.

STAFF CONTACT

For questions or further information please contact <u>John Huston</u> with the House Republican Policy Committee by email or at 6-5539.

³ See FEMA website, <u>About the Agency</u>

⁴ See CRS Report, "Federal Emergency Management: A Brief Introduction," November 30, 2012.

⁵ See Transportation and Infrastructure Committee Press Release, "Committee Leaders Introduce Bill to Reform Disaster Assistance Programs & Reduce Disaster Costs," March 19, 2015.